

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO. 10 OF 2007

M/s. Vidyasagar Learning Pvt. Ltd.

... Appellant

versus

The Asstt. Commissioner of Income-tax
Respondent

...

Mr. K. Gopal for the appellant.

Mr. A.D. Kango for the respondent.

**CORAM: SWATANTER KUMAR, C.J. &
DR. D.Y. CHANDRACHUD, J.**

DATE: OCTOBER 08, 2007.

P.C.

The present appeal under Section 260A of the Income-tax Act, 1961, is directed against the order passed by the Income-tax Appellate Tribunal, Mumbai dated 13th July, 2006. It is not disputed before us that the appellant is carrying on various coaching classes and helps the students who are desirous of attending entrance examinations from time to time. During the period 25th March, 1999 to 31st March, 1999, the appellant-assessee had received amounts from the students in respect of courses other than MHCET. In that course

the coaching classes were to start from the month of April, 1999 onwards. The amounts already received as advance fee by the assessee amounting to Rs. 27,07,250/- was treated as an income for that year. The Income-tax authorities treated the amounts received prior thereto as an income and did not carry forward the said amounts as advance fee receipt to be adjusted or utilised in the subsequent year commencing from 1st April, 1999. The grievance of the appellant is that this was an advance fee received for giving coaching classes for a technical course which was to commence in the subsequent year. In these circumstances, it is contended that the following question of law arises for consideration of this Court.

“Whether Appellate Tribunal is correct in law in concluding that advance towards the fees amounting to Rs. 27,07,250/- has to be treated as income for the Assessment Year 1999-2000?”

2. Having heard the learned counsel appearing for the parties, we are of the considered view that the above proposed question of law hardly satisfies the ingredients of a question of law as contemplated under Section 260A of the Income-tax Act. It is not disputed before us that the appellant-assessee is conducting various

coaching classes and uses the same infrastructure faculty and other expenses which are common to all the coaching classes. Viewed from any angle, we do not think that the Tribunal has fallen an error of law to treat the amounts received on account of advance fee as part of the income for that year. In our opinion, no question of law, much less substantial question of law, arises in this appeal. Appeal is dismissed.

CHIEF JUSTICE

DR. D.Y. CHANDRACHUD, J.